

**AMENDMENT 1 TO
DEVELOPER'S PUBLIC REPORT
FOR A CONDOMINIUM**

CONDOMINIUM PROJECT NAME:	61-274 KAMEHAMEHA HIGHWAY
PROJECT ADDRESS:	61-274 E/F/G Kamehameha Highway Haleiwa, Hawaii 96712
REGISTRATION NUMBER:	6414 (Conversion)
EFFECTIVE DATE OF REPORT:	May 11, 2011
THIS AMENDMENT:	<input checked="" type="checkbox"/> Must be read together with <input checked="" type="checkbox"/> Developer's Public Report dated <u>November 20, 2007</u> <input type="checkbox"/> Amended Report dated _____ <input type="checkbox"/> Supersedes all prior amendments: Includes all prior amendment(s) and <u>must</u> be read together with <input type="checkbox"/> Developer's Public Report dated _____ <input type="checkbox"/> Amended Report dated _____
DEVELOPER(S):	MICHAEL JASON LATRONIC, Trustee of the Michael Jason Latronic Living Trust dated January 13, 2006

Preparation of this Amendment

The Developer prepared this amendment pursuant to the Condominium Property Act, Section 514B-56, Hawaii Revised Statutes (HRS), as amended from time to time. Section 514B-56, HRS, requires that after the Commission has issued an effective date for the Developer's Public Report, if there are any changes, either material or pertinent changes, or both, regarding the information contained in or omitted from the Developer's Public Report, or if the developer desires to update or change the information set forth in the Developer's Public Report, the developer shall immediately submit to the Commission an amendment to the Developer's Public Report or an amended Developer's Public Report clearly reflecting the change, together with such supporting information as may be required by the Commission, to update the information contained in the Developer's Public Report.

The law defines "material change" as used in parts IV and V of Chapter 514B, HRS means any change that directly, substantially, and adversely affects the use or value of (1) A purchaser's unit or appurtenant limited common elements; or (2) Those amenities of the project available for the purchaser's use.

The law defines "pertinent change" to mean, as determined by the commission, a change not previously disclosed in the most recent public report that renders the information contained in the public report or in any disclosure statement inaccurate, including, but not limited to (1) The size, construction materials, location, or permitted use of a unit or its appurtenant limited common element; (2) The size, use, location, or construction materials of the common elements of the project; or (3) The common interest appurtenant to the unit. A pertinent change does not necessarily constitute a material change.

The filing of an amendment to the Developer's Public Report or an amended Developer's Public Report, in and of itself, shall not be grounds for a purchaser to cancel or rescind a sales contract. A purchaser's right to cancel or rescind a sales contract shall be governed by sections 514B-86 and 514B-87, HRS, the terms and conditions of the purchaser's contract for sale, and applicable common law.

This material can be made available for individuals with special needs. Please call the Senior Condominium Specialist at (808) 586-2643 to submit your request.

This Amendment has not been prepared or issued by the Real Estate Commission or any other governmental agency. The issuance by the Commission of an effective date for this amendment to the Developer's Public Report (1) does not mean that the Commission approves or disapproves of the project; (2) does not mean that the Commission thinks that either all material facts, material changes, or pertinent changes about the project have been fully or adequately disclosed; and (3) is not the Commission's judgment of the value or merits of the project.

The law defines "material facts" to mean any fact, defect, or condition, past or present that to a reasonable person, would be expected to measurably affect the value of the project, unit, or property being offered or proposed to be offered for sale.

This amendment may be used by the Developer for promotional purposes only if it is used with the last Developer's Public Report in its entirety.

Prospective purchasers and purchasers are encouraged to read this amendment carefully and to seek professional advice.

Summary of Changes from Earlier Developer's Public Report are Described Beginning on the Next Page

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Summary of Changes from Earlier Developer's Public Report:

This summary contains a general description of the changes, if any, made by the developer since the last Developer's Public Report was issued an effective date. It is not necessarily all inclusive. Prospective purchasers and purchasers must read this amendment together with the last Developer's Public Report with the effective date as noted on the top of page 1 if they wish to know the specific changes that have been made.

Changes made are as follows (include a description of what the change is and page number and or exhibit alphabet or number; additional pages may be used):

The Project's Declaration and Condominium Map were amended (1) to divide Unit 61-274 E/F into two separate units to be known as Unit 61-274 E and Unit 61-274 F, and (2) to designate and set forth the terms of use of a limited common element appurtenant to Unit 61-274 E and Unit 61-274 F. See revised page 3, 4, 6, 10, 18, 18a, Exhibit A and Exhibit E.

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Changes continued:

A large, empty rectangular box with a thin black border, occupying the majority of the page. It is intended for users to list changes or provide additional information.

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The Developer declares subject to the penalties set forth in Section 514B-69, HRS that this project continues to conform to the existing underlying county zoning for the project, zoning and building ordinances and codes and all applicable permitting requirements adopted by the county in which the project is located, all in accordance with Sections 514B-5 and 32(a) (13), HRS.

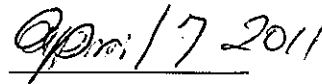
For any conversion, if any variances have been granted, they are specified in Section 1.14 of this report as amended, and, if purchaser deposits are to be used by the Developer to cure any violations of zoning, permitting requirements or rules of the county in which the project is located, the violation is specified in Section 1.15 of this report as amended, along with the requirements to cure any violation, and Section 5.5 specifies the date by which the cure will be completed.

The Developer hereby certifies that all the information contained in this report as amended and the exhibits attached to this report (if any) as amended and all documents to be furnished by the Developer to purchasers concerning the project have been reviewed by the Developer and are, to the best of the Developer's knowledge, information and belief, true, correct and complete. The Developer hereby agrees promptly to amend this report as amended to report and include either or all material facts, material or pertinent changes to any information contained in or omitted from this report and to file annually a report to update the material contained in this report as amended at least 30 days prior to the anniversary date of the effective date of this report.

MICHAEL JASON LATRONIC, Trustee of the Michael Jason Latronic
Living Trust dated January 13, 2006

Printed Name of Developer


Duly Authorized Signatory*


Date

MICHAEL JASON LATRONIC, Trustee

Printed Name & Title of Person Signing Above

Distribution:

Department of Finance, City and County of Honolulu

Planning Department, City and County of Honolulu

***Must be signed for a corporation by an officer; for a partnership or limited liability partnership (LLP) by the general partner; for a limited liability company (LLC) by the manager or an authorized member; and for an individual by the individual.**

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1. THE CONDOMINIUM PROJECT

1.1 The Underlying Land

Fee Simple or Leasehold Project	<input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold (attach Leasehold Exhibit)
Developer is the Fee Owner	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Fee Owner's Name if Developer is not the Fee Owner	
Address of Project	61-274 E/F/G Kamehameha Highway Haleiwa, Hawaii 96712
Address of Project is expected to change because	No change
Tax Map Key (TMK)	(1) 6-1-011-017
Tax Map Key is expected to change because	Each unit will be assigned a new Tax Key Number
Land Area	22,151 square feet
Developer's right to acquire the Property if Developer is not the Fee Owner (describe)	

1.2 Buildings and Other Improvements

Number of Buildings	3
Floors Per Building	1
Number of New Building(s)	0
Number of Converted Building(s)	3
Principle Construction Materials (concrete, wood, hollow tile, steel, glass, etc.)	concrete, wood, glass and other allied materials

1.3 Unit Types and Sizes of Units

Unit Type	Quantity	BR/Bath	Net Living Area	Net Other Areas	Other Areas (lanai, garage, etc)	Total Area
61-274 E	1	2/1	1,260 SF	22 SF co	vered exterior	1,282 SF
61-274 F	1	2/1	1,117 SF	22 SF co	vered exterior	1,432 SF
				293 SF*	carport	
61-274 G	1	3/1	1,687 SF	236 SF co	vered exterior	2,452 SF
				529 SF	carport	
See Exhibit A .						

3	Total Number of Units
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Note: Net Living Area is the floor area of the unit measured from the interior surface of the perimeter walls of the unit. Other documents and maps may give floor area figures that differ from those above because a different method of determining floor area may have been used.

1.4 Parking Stalls

Total Parking Stall in the Project:	6
Number of Guest Stalls in the Project:	0
Number of Parking Stalls Assigned to Each Unit:	2
Attach Exhibit _____ specifying the Parking Stall number(s) assigned to each unit and the type of parking stall(s) (regular, compact or tandem and indicate whether covered or open).	
If the Developer has reserved any rights to assign or re-assign parking stalls, describe such rights.	
See page 18a	

1.5 Boundaries of the Units

Boundaries of the unit:
See Exhibit B

1.6 Permitted Alterations to the Units

Permitted alterations to the unit (if the unit is defined as a non-physical or spatial portion of the project, also describe what can be built within such portion of the project):

See Exhibit C

1.7 Common Interest

Common Interest: Each unit will have a percentage interest in the common elements appurtenant to each unit. This interest is called the "common interest". It is used to determine each unit's share of the maintenance fees and other common profits and expenses of the condominium project. It may also be used for other purposes, including voting on matters requiring action by unit owners. The common interest for each unit in this project, as described in Declaration, is:

Described in Exhibit _____.

As follows:

Unit 61-274 E - 25% interest
Unit 61-274 F - 25% interest
Unit 61-274 G - 50% interest

1.8 Recreational and Other Common Facilities (Check if applicable):

<input type="checkbox"/>	Swimming pool
<input type="checkbox"/>	Laundry Area
<input type="checkbox"/>	Storage Area
<input type="checkbox"/>	Tennis Court
<input type="checkbox"/>	Recreation Area
<input type="checkbox"/>	Trash Chute/Enclosure(s)
<input type="checkbox"/>	Exercise Room
<input type="checkbox"/>	Security Gate
<input type="checkbox"/>	Playground
<input type="checkbox"/>	Other (describe):

1.13 Uses Permitted by Zoning and Zoning Compliance Matters

Uses Permitted by Zoning				
	Type of Use	No. of Units	Use Permitted by Zoning	Zoning
<input checked="" type="checkbox"/>	Residential	3	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	R-5
<input type="checkbox"/>	Commercial		<input type="checkbox"/> Yes <input type="checkbox"/> No	
<input type="checkbox"/>	Mix Residential/Commercial		<input type="checkbox"/> Yes <input type="checkbox"/> No	
<input type="checkbox"/>	Hotel		<input type="checkbox"/> Yes <input type="checkbox"/> No	
<input type="checkbox"/>	Timeshare		<input type="checkbox"/> Yes <input type="checkbox"/> No	
<input type="checkbox"/>	Ohana		<input type="checkbox"/> Yes <input type="checkbox"/> No	
<input type="checkbox"/>	Industrial		<input type="checkbox"/> Yes <input type="checkbox"/> No	
<input type="checkbox"/>	Agricultural		<input type="checkbox"/> Yes <input type="checkbox"/> No	
<input type="checkbox"/>	Recreational		<input type="checkbox"/> Yes <input type="checkbox"/> No	
<input type="checkbox"/>	Other (Specify):		<input type="checkbox"/> Yes <input type="checkbox"/> No	
Is/Are this/these use(s) specifically permitted by the project's Declaration or Bylaws?			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Variances to zoning code have been granted.			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Describe any variances that have been granted to zoning code				

1.14 Other Zoning Compliance Matters

Conforming/Non-Conforming Uses, Structures and Lots			
<p>In general, a non-conforming use, structure or lot is a use, structure or lot that was lawful at one time but that does not now conform to present zoning requirements. Under present zoning requirements, limitations may apply to extending, enlarging or continuing the non-conformity and to altering and repairing non-conforming structures. In some cases, a non-conforming structure that is destroyed or damaged cannot be reconstructed.</p> <p>If a variance has been granted or if uses, structures or lots are either non-conforming or illegal, the purchaser should consult with county zoning authorities as to possible limitations that may apply in situations such as those described above.</p> <p>A purchaser may not be able to obtain financing or insurance if the condominium project has a non-conforming or illegal use, structure or lot.</p>			
	Conforming	Non-Conforming	Illegal
Uses	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Structures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lot	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p>If a non-conforming use, structure or lot exists in this project, this is what will happen under existing laws or codes if the structure is damaged or destroyed:</p>			

3. CREATION OF THE CONDOMINIUM AND CONDOMINIUM DOCUMENTS

A condominium is created by recording in the Bureau of Conveyances (Regular System) or filing in the Office of the Assistant Registrar of the Land Court, or both, a Declaration of Condominium Property Regime, a Condominium Map and the Bylaws of the Association of Unit Owners. The Condominium Property Act (Chapter 514B, HRS), the Declaration, Bylaws and House Rules control the rights and obligations of the unit owners with respect to the project and the common elements, to each other, and to their respective units.

3.1 Declaration of Condominium Property Regime

The Declaration of Condominium Property Regime contains a description of the land, buildings, units, common interests, common elements, limited common elements, and other information relating to the condominium project.

Land Court or Bureau of Conveyances	Date of Document	Document Number
Land Court	June 15, 2007	3635482

Amendments to Declaration of Condominium Property Regime

Land Court or Bureau of Conveyances	Date of Document	Document Number
Land Court	August 8, 2007	3640761
Land Court	November 8, 2007	3680306
Land Court	April 1, 2011	4064875

3.2 Bylaws of the Association of Unit Owners

The Bylaws of the Association of Unit Owners govern the operation of the condominium project. They provide for the manner in which the Board of Directors of the Association of Unit Owners is elected, the powers and duties of the Board, the manner in which meetings will be conducted, whether pets are prohibited or allowed and other matters that affect how the condominium project will be governed.

Land Court or Bureau of Conveyances	Date of Document	Document Number
Land Court	June 15, 2007	3635483

Amendments to Bylaws of the Association of Unit Owners

Land Court or Bureau of Conveyances	Date of Document	Document Number

3.3 Condominium Map

The Condominium Map contains a site plan and floor plans, elevations and layout of the condominium project. It also shows the floor plan, unit number and dimensions of each unit.

Land Court Map Number	
Bureau of Conveyances Map Number	1903
Dates of Recordation of Amendments to the Condominium Map: April 13, 2011	

6. MISCELLANEOUS INFORMATION NOT COVERED ELSEWHERE IN THIS REPORT

1. **HAZARDOUS MATERIALS.** The Developer neither prepared nor commissioned a Phase 1 Environmental Site Assessment and makes no representations or warranties whatsoever. The developer has made no independent investigation as to asbestos or other hazardous substances in the apartments or in, under or around the Project, including but not limited to, radioactive materials, organic compounds known as polychlorinated biphenyls, chemicals known to cause cancer or reproductive toxicity, pollutants, contaminants, hazardous wastes, toxic substances, and any and all other substances or materials defined as or included in the definition of "hazardous substances", "hazardous wastes", "hazardous materials" or "toxic substances" under, or for the purposes of, hazardous materials laws. Buyer acknowledges that in light of the age of the Project, there may be asbestos and other hazardous substances in the apartments, or in, under or around the Project. Because of the possible presence of such substances, Buyer should have the apartment inspected to determine the extent (if any) of such contamination and any necessary remedial action. The developer will not correct any defects in the apartments or in the Project or anything installed or contained therein and Buyer expressly releases the developer from any liability to Buyer if any hazardous materials are discovered.

2. **LEAD WARNING STATEMENT.** Pursuant to federal law, 42, U.S.C 4852(d), the Residential Lead-Based Paint Reduction Act, "Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase."

3. **PRIVATE SEPTIC SYSTEM.** Currently each of the Units has its own cesspool. Each is considered to be nonconforming. Each cesspool is located within a convenient distance of the Unit it services. Each cesspool is to be maintained by the owner of the Unit serviced by the cesspool. At this time, none of the septic facilities are shared, considered to be a common element or incur any common expenses.

If any of the Units is materially changed, it is likely that the State of Hawaii Department of Health (which has jurisdiction over private septic systems) will require as a condition for the issuance of a building permit that the cesspool servicing such Unit be replaced with an approved septic system. Thus, any prospective buyer of a Unit should contact the State Department of Health to determine what, if any, conditions would be imposed on any new septic system.

Based on present standards, if new septic systems were required, the size of the Project Land would permit two systems, each of which could serve five bedrooms. If only a single septic system was permitted, the newly constructed septic system would become a shared common element, and three of the five bedrooms permitted would be allocated to Units 61-274 E and 61-274 F and two bedrooms would be allocated to Unit 61-272 G.

4. PARKING. Unit 61-274 E has the exclusive use of the two parking stalls located within its carport. Unit 61-274 F has the exclusive use of the two uncovered parking stalls located on its appurtenant Dwelling Area. Unit 61-274 G has the exclusive use of the two parking stalls located within its carport.

5. NONCONFORMING DWELLING UNITS NOW CONSIDERED CONFORMING. At the time the Declaration of Condominium Property Regime was entered into, the Land Use Ordinance of the City and County of Honolulu ("LUO") provided that only two dwelling units were permitted to be located upon the Project Land. The Project contained three dwelling units, which had been legally built prior to enactment of the LUO. One of the three dwelling units was considered to be "legally non-conforming" – that is, it could remain, but not be rebuilt if it were substantially destroyed.

By Ordinance 10-19, the LUO was amended to permit a third dwelling unit on land of the size of the Project Land. Thus, all three of the dwelling units in the Project are now considered to be "conforming" and may not only remain, but could be rebuilt if substantially destroyed.

Consequently, the provisions in the Declaration and the "City Letter" referring to the third dwelling unit as being "nonconforming" are no longer relevant. Those provisions no longer relevant include Paragraph 9.6 and Paragraph 24(b)(1) of the Declaration and Paragraph numbered 1 in the City Letter attached to the Developer's Public Report as Exhibit H.

EXHIBIT A
Unit Types and Sizes of Units

The Declaration, as amended, provides:

Unit 61-274 E is a one-story residence without a basement, constructed in the 1940s. The Unit contains two (2) bedrooms and one (1) bathroom, family room, living room, kitchen, laundry room and study. The total net living area of the Unit is approximately 1,260 square feet. The covered exterior areas are approximately 22 square feet. It does not contain a garage or carport.

Unit 61-274 F is a one-story residence without a basement, constructed in the 1940s. The Unit contains two (2) bedrooms and one (1) bathroom, family room, living room, kitchen and carport. The total net living area of the Unit is approximately 1,117 square feet. The covered exterior areas are approximately 22 square feet. The area of the carport is approximately 293 square feet.

Unit 61-274 G was constructed in the 1940s. It contains a single family dwelling unit. The Unit contains a total of three bedrooms and one bathroom, existing rec room, laundry area, kitchen area, living room and carport. The total net living area of the Unit is approximately 1687 square feet. The covered exterior areas are approximately 236 square feet. The carport area is approximately 529 square feet.

END OF EXHIBIT A

EXHIBIT E
Limited Common Elements

The Declaration, as amended, provides:

Certain parts of the common elements, herein called the "Limited Common Elements", are hereby designated and set aside for the exclusive use of certain of the Units, and each Unit shall have appurtenant thereto exclusive easements for the use of all such limited common elements set aside and reserved for such Unit's exclusive use.

Unless otherwise specified, all costs of every kind pertaining to each limited common element, including, but not limited to, costs of landscaping, maintenance, repair, replacement and improvement, shall be borne by the Owner of the Unit to which such limited common element is appurtenant.

(a) The limited common elements so set aside and reserved for the exclusive use of Unit 61-274 E are as follows:

- (1) The site on which Unit 61-274 E is located, consisting of the land beneath and immediately adjacent to Unit 61-274 E, as shown and delineated on the Amended CPR Map as 7,677 square feet (including the airspace above such site) is for the exclusive benefit of Unit 61-274 E (which may be referred to as "Dwelling Area 61-274 E"); and
- (2) A mailbox to be designated by Declarant for the use of Unit 61-274 E.

(b) The limited common elements so set aside and reserved for the exclusive use of Unit 61-274 F are as follows:

- (1) The site on which Unit 61-274 F is located, consisting of the land beneath and immediately adjacent to Unit 61-274 F, as shown and delineated on the Amended CPR Map as 6,000 square feet (including the airspace above such site) is for the exclusive benefit of Unit 61-274 F (which may be referred to as "Dwelling Area 61-274 F"); and
- (2) A mailbox to be designated by Declarant for the use of Unit 61-274 F.

(c) The limited common elements so set aside and reserved for the exclusive use of Unit 61-274G are as follows:

- (1) The site on which Unit 61-274G is located, consisting of the land area beneath and immediately adjacent to Unit 61-274 G, as shown and delineated on the Condominium Map as 6,968 square feet (including the airspace above such site) is for the exclusive benefit of Unit 61-274G (which may be referred to as "Dwelling Area 61-274G"); and
- (2) A mailbox designated by Declarant for the use of Unit 61-274 G.

(d) A portion of the Land shown on the Amended CPR Map as "Limited Common Element 722 Sq. Ft." is set aside and reserved for the exclusive use of Unit 61-274 E and Unit 61-274 F.

Any other common element of the Project which is rationally related to fewer than all the Units shall be deemed a limited common element appurtenant to and for the exclusive use of such Unit to which it is rationally related.

Note: The "Dwelling Areas" herein described are not legally subdivided lots.

END OF EXHIBIT E